

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2012 calendar year, or tax year beginning 07/01, 2012, and ending 06/30, 2013

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY			D Employer identification number 52-0619000	
	Doing Business As			E Telephone number (410) 535-4000	
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite		
	City, town or post office, state, and ZIP code PRINCE FREDERICK, MD 20678			G Gross receipts \$ 126,185,046.	
F Name and address of principal officer: JAMES XINIS 100 HOSPITAL RD PRINCE FREDERICK, MD 20678					
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)		
J Website: ▶ WWW.CALVERTHOSPITAL.ORG			H(c) Group exemption number ▶		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1918 M State of legal domicile: MD		

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: CALVERT MEMORIAL HOSPITAL PROVIDES QUALITY INPATIENT AND AMBULATORY HEALTH CARE TO THE PEOPLE OF SOUTHERN MARYLAND THAT IS ACCESSIBLE, COST-EFFECTIVE AND COMPASSIONATE.				
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.				
	3	Number of voting members of the governing body (Part VI, line 1a)	19.		
	4	Number of independent voting members of the governing body (Part VI, line 1b)	15.		
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	1,299.		
	6	Total number of volunteers (estimate if necessary)	198.		
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	1,799,338.		
	7b	Net unrelated business taxable income from Form 990-T, line 34	-19,725.		
	Revenue	8	Contributions and grants (Part VIII, line 1h)	609,604.	725,689.
		9	Program service revenue (Part VIII, line 2g)	122,875,723.	120,837,283.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	266,230.	437,957.	
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,490,394.	4,102,507.	
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	130,241,951.	126,103,436.	
Expenses		13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	5,000.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	66,329,303.	61,667,920.	
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0	
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶	0		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	61,113,821.	57,341,758.	
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	127,443,124.	119,014,678.	
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	2,798,827.	7,088,758.	
	20	Total assets (Part X, line 16)	106,515,249.	111,862,040.	
	21	Total liabilities (Part X, line 26)	86,442,833.	84,365,248.	
	22	Net assets or fund balances. Subtract line 21 from line 20	20,072,416.	27,496,792.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer _____		Date _____	
	Type or print name and title _____			
Paid Preparer Use Only	Print/Type preparer's name TINA C ECKLOFF	Preparer's signature _____	Date 05/01/2014	Check <input type="checkbox"/> if self-employed PTIN P01074058
	Firm's name ▶ COHEN, RUTHERFORD + KNIGHT, PC		Firm's EIN ▶ 52-1202280	
	Firm's address ▶ 6903 ROCKLEDGE DRIVE, SUITE 500 BETHESDA, MD 20817-1800		Phone no. 301-828-1008	
May the IRS discuss this return with the preparer shown above? (see instructions)				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

CALVERT MEMORIAL HOSPITAL PROVIDES QUALITY INPATIENT AND AMBULATORY HEALTH CARE TO THE PEOPLE OF SOUTHERN MARYLAND THAT IS ACCESSIBLE, COST-EFFECTIVE AND COMPASSIONATE. CMH WORKS IN PARTNERSHIP WITH THE COMMUNITY TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 105,909,836. including grants of \$ 5,000.) (Revenue \$ 123,153,488.)

ATTACHMENT 1

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ 105,909,836.

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b	Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c	Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14 a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20 a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	

Part IV Checklist of Required Schedules *(continued)*

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>		X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.</i>	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25 a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i>		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III.</i>		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>	X	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.</i>	X	
35 a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	X	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V.

Table with columns for question ID, question text, and Yes/No response boxes. Includes questions 1a through 14b regarding IRS filings, backup withholding, employee reporting, foreign accounts, and charitable contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI. [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (19), 1b (15), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MD,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ROBERT KERTIS 100 HOSPITAL ROAD PRINCE FREDERICK, MD 20678 410-535-4000

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII X

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CLIFF STEWART ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
(2) JOSEPH BOYD ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
(3) KEVIN BETZ ----- DIRECTOR	1.00 ----- 3.00	X					0	0	0	
(4) GAIL GIBSON ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
(5) ERIC FRANKLIN ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
(6) UDAY PATEL ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
(7) KEVIN NIETMANN ----- CHAIRPERSON	4.00 ----- 2.00	X		X			0	0	0	
(8) MARSHA PLATER ----- DIRECTOR	1.00 ----- 1.00	X					1,472.	0	0	
(9) SALLY SHOWALTER ----- DIRECTOR	1.00 ----- 3.00	X					0	0	0	
(10) LAURIE UHEREK ----- SECRETARY	1.00 ----- 1.00	X		X			0	0	0	
(11) JAMES XINIS ----- PRESIDENT AND CEO	40.00 ----- 8.00	X		X			1,242,289.	0	216,310.	
(12) PETER DALY ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
(13) JOHN WEIGEL ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
(14) CIARAN BROWNE ----- DIRECTOR	2.00 ----- 1.00	X					0	0	0	

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) HENRY TRENTMAN VICE CHAIRPERSON	5.00 5.00	X		X			0	0	0	
(16) PATRICIA EDDLEMAN DIRECTOR	4.00 1.00	X					0	0	0	
(17) BARBARA ESTES DIRECTOR	4.00 1.00	X					23,371.	0	0	
(18) RICHARD FLEMING DIRECTOR	1.00 1.00	X					0	0	0	
(19) ALONZO BARBER III DIRECTOR	1.00 1.00	X					0	0	0	
(20) GEORGE GELLRICH DIRECTOR	1.00 1.00	X					0	0	0	
(21) VARKEY MATHEW DIRECTOR	3.00 1.00	X					26,580.	0	0	
(22) DONALD PARSONS JR TREASURER	20.00 15.00	X		X			0	0	0	
(23) ROBERT KERTIS VP FINANCE AND CFO	40.00 8.00			X			212,809.	0	22,641.	
(24) ROBERT MCWHIRT VP CNE PATIENT CARE SERVICES	40.00 0				X		130,173.	0	19,423.	
(25) SUSAN DOHONY VP CQO PERFORM IMPROVEMENT	40.00 0				X		199,089.	0	64,050.	
1b Sub-total							1,243,761.	0	216,310.	
c Total from continuation sheets to Part VII, Section A							2,264,972.	0	317,856.	
d Total (add lines 1b and 1c)							3,508,733.	0	534,166.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 44**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 2		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **▶ 33**

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
26) EDWARD GROGAN ----- VP IT	40.00 ----- 0				X			161,780.	0	33,809.
27) DIANE COUCHMAN ----- VP CNO CLINICAL SERVICES	40.00 ----- 0				X			135,447.	0	25,323.
28) DEAN TEAGUE ----- COO	40.00 ----- 0				X			97,216.	0	4,424.
29) JOHN BROOKS ----- VP MEDICAL AFFAIRS	40.00 ----- 0				X			35,916.	0	73.
30) ANTHONY BLADEN ----- VP HUMAN RESOURCES	40.00 ----- 0				X			177,620.	0	15,360.
31) SEYED ALI MOHAMMADI ----- PHYSICIAN	40.00 ----- 0					X		357,765.	0	33,056.
32) SCOTT INTNER ----- AVP BUS DEVEL CORP COMPLIANCE	40.00 ----- 0					X		165,440.	0	20,347.
33) KARA HARRER ----- DIRECTOR OF PHARMACY	40.00 ----- 0					X		142,166.	0	13,613.
34) PILAR CROOK ----- R.N.	40.00 ----- 0					X		142,034.	0	34,808.
35) SHARON BAKER ----- PHARMACY CLINICAL COORDINATOR	40.00 ----- 0					X		135,605.	0	18,323.
36) ROBERT SCHLAGER ----- VP MEDICAL AFFAIRS	40.00 ----- 0						X	121,961.	0	12,606.
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 44

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ►

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

Table with columns (A) Total revenue, (B) Related or exempt function revenue, (C) Unrelated business revenue, (D) Revenue excluded from tax. Rows include Contributions, Gifts, Grants and Other Similar Amounts; Program Service Revenue; and Other Revenue.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	5,000.	5,000.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	2,155,444.		2,155,444.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	47,946,804.	43,401,054.	4,545,750.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	3,145,523.	2,765,866.	379,657.	
9 Other employee benefits	4,756,495.	4,120,312.	636,183.	
10 Payroll taxes	3,663,654.	3,173,639.	490,015.	
11 Fees for services (non-employees):				
a Management	549,635.	509,135.	40,500.	
b Legal	510,992.		510,992.	
c Accounting	124,570.		124,570.	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	4,718,865.	4,718,865.		
12 Advertising and promotion	102,352.	102,112.	240.	
13 Office expenses	5,597,553.	4,931,682.	665,871.	
14 Information technology	2,623,666.	2,465,197.	158,469.	
15 Royalties	0			
16 Occupancy	2,783,531.	2,510,196.	273,335.	
17 Travel	128,661.	49,561.	79,100.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	185,585.	165,479.	20,106.	
20 Interest	2,348,788.	2,294,061.	54,727.	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	8,209,515.	8,127,929.	81,586.	
23 Insurance	1,488,777.	1,458,025.	30,752.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>MEDICAL SUPPLIES</u>	17,768,494.	17,768,494.		
b <u>PURCHASED SERVICES</u>	4,740,684.	3,880,369.	860,315.	
c <u>REPAIRS AND MAINTENANCE</u>	2,851,508.	2,770,259.	81,249.	
d <u>OTHER</u>	2,110,378.	692,601.	1,417,777.	
e All other expenses	498,204.		498,204.	
25 Total functional expenses. Add lines 1 through 24e	119,014,678.	105,909,836.	13,104,842.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X

		(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	11,081,171.	1 15,229,579.
	2	Savings and temporary cash investments	106,741.	2 46,016.
	3	Pledges and grants receivable, net	0	3 0
	4	Accounts receivable, net	13,243,805.	4 12,234,989.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5 0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6 0
	7	Notes and loans receivable, net ATCH 4	8,184.	7 0
	8	Inventories for sale or use	2,315,807.	8 2,236,702.
	9	Prepaid expenses and deferred charges ATCH 5	1,330,572.	9 1,354,549.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 143,323,614.	
	b	Less: accumulated depreciation	10b 84,407,314.	10c 58,916,300.
	11	Investments - publicly traded securities ATCH 6	5,275,414.	11 4,742,261.
	12	Investments - other securities. See Part IV, line 11	3,069,034.	12 1,784,162.
	13	Investments - program-related. See Part IV, line 11	0	13 0
	14	Intangible assets	0	14 0
	15	Other assets. See Part IV, line 11	7,975,927.	15 15,317,482.
16	Total assets. Add lines 1 through 15 (must equal line 34)	106,515,249.	16 111,862,040.	
Liabilities	17	Accounts payable and accrued expenses	17,029,456.	17 14,233,776.
	18	Grants payable	0	18 0
	19	Deferred revenue	0	19 0
	20	Tax-exempt bond liabilities	52,174,352.	20 50,370,745.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	0	21 0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22 0
	23	Secured mortgages and notes payable to unrelated third parties	0	23 0
	24	Unsecured notes and loans payable to unrelated third parties	0	24 0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	17,239,025.	25 19,760,727.
	26	Total liabilities. Add lines 17 through 25	86,442,833.	26 84,365,248.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets	19,961,405.	27 26,058,970.
	28	Temporarily restricted net assets	111,011.	28 628,893.
	29	Permanently restricted net assets	0	29 808,929.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30
	31	Paid-in or capital surplus, or land, building, or equipment fund		31
	32	Retained earnings, endowment, accumulated income, or other funds		32
	33	Total net assets or fund balances	20,072,416.	33 27,496,792.
34	Total liabilities and net assets/fund balances.	106,515,249.	34 111,862,040.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	126,103,436.
2	Total expenses (must equal Part IX, column (A), line 25)	2	119,014,678.
3	Revenue less expenses. Subtract line 2 from line 1	3	7,088,758.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	20,072,416.
5	Net unrealized gains (losses) on investments	5	118,618.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	217,000.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	27,496,792.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
--	---

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III-Functionally integrated d Type III-Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2012

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f); 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities, whether or not the business is regularly carried on; 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.); 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)); 15 Public support percentage from 2011 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2012; b 33 1/3% support test - 2011; 17a 10%-facts-and-circumstances test - 2012; b 10%-facts-and-circumstances test - 2011; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**.

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

b 33 1/3% support tests - 2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2012

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990. See separate instructions.

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 3 columns: Line number, Description, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for totals, 5-6 for questions about donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form for Part II with multiple sections: 1. Purpose(s) of conservation easements (checkboxes for land, habitat, open space, historic structure). 2. Conservation contribution details (table with 2a-2d). 3-7. Monitoring and enforcement details. 8. Section 170(h)(4)(B) requirements. 9. Accounting for easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for Part III with sections 1a, 1b, 2, a, b detailing reporting requirements for art and historical treasures.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII. Yes No

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Temporarily restricted endowment ▶ _____ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,881,046.		4,881,046.
b Buildings		66,522,713.	31,857,746.	34,664,967.
c Leasehold improvements		2,893,739.	1,614,707.	1,279,032.
d Equipment		66,493,796.	49,645,324.	16,848,472.
e Other		2,581,891.	1,215,079.	1,366,812.

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c)). ▶ style="text-align: right;">59,040,329.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
(I) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) LT BOND FINANCING COSTS	825,896.
(2) OTHER RECEIVABLES	498,282.
(3) GOODWILL	15,000.
(4) INVEST IN AFFILIATED ENTERPRIS	2,644,587.
(5) LT MIN LEASE PYMTS RECD	30,000.
(6) MALPRACTICE INS RECOVERY	7,064,435.
(7) INVESTMENT IN FOUNDATION	3,510,489.
(8) DUE FROM RELATED PARTIES	728,793.
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	15,317,482.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) EXECUTIVE 457B 457F PLANS	2,124,185.	
(3) ADVANCES FROM THIRD PARTIES	3,708,463.	
(4) ACCRUED PENSION COSTS	5,727,143.	
(5) PROFESSIONAL LIABILITY	8,200,936.	
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	19,760,727.	

2. FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII.

Part XIII Supplemental Information *(continued)*

SCHEDULE H
(Form 990)

Hospitals

OMB No. 1545-0047

2012

Open to Public Inspection

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990. ▶ See separate instructions.**

Department of the Treasury
Internal Revenue Service

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
--	---

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	X	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	X	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		X
6a Did the organization prepare a community benefit report during the tax year?	X	
b If "Yes," did the organization make it available to the public?	X	

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			5,272,522.		5,272,522.	4.43
b Medicaid (from Worksheet 3, column a)						
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			5,272,522.		5,272,522.	4.43
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,397,214.	253,137.	1,144,077.	.96
f Health professions education (from Worksheet 5)			852,620.		852,620.	.72
g Subsidized health services (from Worksheet 6)			12,965,459.	4,454,349.	8,511,110.	7.16
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			24,081.		24,081.	.02
j Total Other Benefits			15,239,374.	4,707,486.	10,531,888.	8.86
k Total Add lines 7d and 7j.			20,511,896.	4,707,486.	15,804,410.	13.29

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			548,060.	26,400.	521,660.	.44
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building			92,391.		92,391.	.08
7 Community health improvement advocacy			26,656.		26,656.	.02
8 Workforce development						
9 Other						
10 Total			667,107.	26,400.	640,707.	.54

Part III Bad Debt, Medicare, & Collection Practices

		Yes	No
Section A. Bad Debt Expense			
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	X	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2		1,131,256.
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			
Section B. Medicare			
5 Enter total revenue received from Medicare (including DSH and IME)	5		46,896,643.
6 Enter Medicare allowable costs of care relating to payments on line 5	6		33,850,158.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7		13,046,485.
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other			
Section C. Collection Practices			
9a Did the organization have a written debt collection policy during the tax year?	9a	X	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians-see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest - see instructions)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, and primary website address

1 CALVERT MEMORIAL HOSPITAL
100 HOSPITAL ROAD
PRINCE FREDERICK MD 20678

2

3

4

5

6

7

8

9

10

11

12

ER-other	ER-24 hours	Research facility	Critical access hospital	Teaching hospital	Children's hospital	General medical & surgical	Licensed hospital	Other (describe)	Facility reporting group
	X					X	X	SKILLED NURSING FAC URGENT CARE CTRS FAMILY PRAC CLINIC	

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or facility reporting group CALVERT MEMORIAL HOSPITAL

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply):	X	
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>11</u>		
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted.	X	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI		X
5	Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply):	X	
a	<input checked="" type="checkbox"/> Hospital facility's website		
b	<input checked="" type="checkbox"/> Available upon request from the hospital facility		
c	<input type="checkbox"/> Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):		
a	<input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	<input checked="" type="checkbox"/> Execution of the implementation strategy		
c	<input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d	<input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e	<input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	<input checked="" type="checkbox"/> Prioritization of health needs in its community		
h	<input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs . . .		X
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
8b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V Facility Information (continued)

Financial Assistance Policy		CALVERT MEMORIAL HOSPITAL	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:				
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care: <u>2</u> <u>0</u> <u>0</u> % If "No," explain in Part VI the criteria the hospital facility used.		X	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>3</u> <u>0</u> <u>0</u> % If "No," explain in Part VI the criteria the hospital facility used.		X	
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply):		X	
a	<input checked="" type="checkbox"/> Income level			
b	<input checked="" type="checkbox"/> Asset level			
c	<input checked="" type="checkbox"/> Medical indigency			
d	<input type="checkbox"/> Insurance status			
e	<input checked="" type="checkbox"/> Uninsured discount			
f	<input checked="" type="checkbox"/> Medicaid/Medicare			
g	<input checked="" type="checkbox"/> State regulation			
h	<input checked="" type="checkbox"/> Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?		X	
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		X	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website			
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices			
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
f	<input checked="" type="checkbox"/> The policy was available on request			
g	<input type="checkbox"/> Other (describe in Part VI)			
Billing and Collections				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?		X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	<input type="checkbox"/> Reporting to credit agency			
b	<input type="checkbox"/> Lawsuits			
c	<input type="checkbox"/> Liens on residences			
d	<input type="checkbox"/> Body attachments			
e	<input type="checkbox"/> Other similar actions (describe in Part VI)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged:			X
a	<input type="checkbox"/> Reporting to credit agency			
b	<input type="checkbox"/> Lawsuits			
c	<input type="checkbox"/> Liens on residences			
d	<input type="checkbox"/> Body attachments			
e	<input type="checkbox"/> Other similar actions (describe in Part VI)			

Part V Facility Information (continued) CALVERT MEMORIAL HOSPITAL

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a Notified individuals of the financial assistance policy on admission
- b Notified individuals of the financial assistance policy prior to discharge
- c Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	
If "No," indicate why:			
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> Other (describe in Part VI)		

Changes to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> Other (describe in Part VI)		
21	During the tax year, did the hospital facility charge any of its FAP- eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		X
If "Yes," explain in Part VI.			
22	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?		X
If "Yes," explain in Part VI.			

Part V Facility Information *(continued)*

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 6

Name and address	Type of Facility (describe)
1 DUNKIRK URGENT CARE 10845 TOWN CENTER BLVD SUITE 108 DUNKIRK MD 20754	URGENT CARE CENTER
2 SOLOMONS URGENT CARE 14090 H.G. TRUEMAN ROAD SUITE 1300 SOLOMONS MD 20688	URGENT CARE CENTER
3 CMH LABORATORY SERVICES 130 HOSPITAL ROAD SUITE 204 PRINCE FREDERICK MD 20678	LABORATORY DRAW STATION
4 CMH LABORATORY SERVICES 14090 H.G. TRUEMAN ROAD SUITE 1400 SOLOMONS MD 20688	LABORATORY DRAW STATION
5 BREAST CARE CENTER 130 HOSPITAL ROAD SUITE 102 PRINCE FREDERICK MD 20678	OUTPATIENT CLINIC
6 WOMAN'S WELLNESS CENTER 130 HOSPITAL ROAD SUITE 102 PRINCE FREDERICK MD 20678	OUTPATIENT CLINIC
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

PART I, LINE 3

FINANCIAL NEED WILL BE DETERMINED IN ACCORDANCE WITH PROCEDURES THAT INVOLVE A FACTS AND CIRCUMSTANCES ASSESSMENT OF THE FINANCIAL NEED OF THE PATIENT, WHICH MAY INCLUDE THE FOLLOWING:

A) AN APPLICATION PROCESS, IN WHICH THE PATIENT OR THE PATIENT'S GUARANTOR ARE REQUIRED TO COOPERATE AND SUPPLY PERSONAL, FINANCIAL AND OTHER INFORMATION AND DOCUMENTATION RELEVANT TO MAKING A DETERMINATION OF FINANCIAL NEED. THE APPLICATION FORM IS THE MARYLAND STATE UNIFORM FINANCIAL ASSISTANCE APPLICATION.

B) THE USE OF EXTERNAL PUBLICALLY AVAILABLE DATA SOURCES THAT PROVIDE INFORMATION ON A PATIENT'S OR A PATIENT'S GUARANTOR'S ABILITY TO PAY (SUCH AS CREDIT SCORING);

C) REASONABLE EFFORTS BY CALVERT MEMORIAL HOSPITAL TO EXPLORE APPROPRIATE ALTERNATIVE SOURCES OF PAYMENT AND COVERAGE FROM PUBLIC AND PRIVATE

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

PAYMENT PROGRAMS;

D) TAKING INTO ACCOUNT THE PATIENT'S AVAIABLE ASSETS, AND ALL OTHER

FINANCIAL RESOURCES AVAILABE TO THE PATIENT; AND

E) A REVIEW OF THE PATIENT'S OUTSTANDING ACCOUNTS RECEIVABLE FOR PRIOR

SERVICES RENDERED AND THE PATIENT'S PAYMENT HISTORY.

IT IS PREFERRED BUT NOT REQUIRED THAT A REQUEST FOR FINANCIAL ASSISTANCE

AND A DETERMINATION OF FINANCIAL NEED OCCUR PRIOR TO THE RENDERING OF

SERVICES. HOWEVER, THE DETERMINATION MAY BE DONE AT ANY POINT IN THE

COLLECTION CYCLE. THE NEED FOR PAYMENT ASSISTANCE SHALL BE RE-EVALUATED

AT EACH SUBSEQUENT TIME OF SERVICES IF THE LAST FINANCIAL EVALUATION WAS

COMPLETED MORE THAN SIX MONTHS PRIOR, OR AT ANY TIME ADDITIONAL

INFORMATION RELEVANT TO THE ELIGIBILITY OF THE PATIENT FOR FINANCIAL

ASSISTANCE BECOMES KNOWN.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

CALVERT MEMORIAL HOSPITAL PERFORMS REASONABLE COLLECTION EFFORTS AS DEFINED IN THEIR PRIVATE PAY COLLECTIONS POLICY BY SENDING PATIENTS THAT HAVE NOT YET QUALIFIED UNDER THE HOSPITAL'S FINANCIAL POLICY AT LEAST THREE STATEMENTS. PATIENTS MAY ALSO RECEIVE PHONE CALLS REMINDING THEM A BALANCE IS DUE. UNPAID PATIENT ACCOUNTS ARE IDENTIFIED AS PRE-BAD DEBT AFTER 75 TO 90 DAYS. PRIOR TO TRANSFERRING ACCOUNTS TO AN EXTERNAL COLLECTION AGENCY OR UNDERTAKING ANY OTHER COLLECTION ACTIONS, THE ACCOUNTS ARE BATCHED AND SCREENED FOR THE PATIENT'S ABILITY TO PAY AGAINST THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY STANDARDS WITHIN SEARCH AMERICA. ANY PATIENTS WHOSE FINANCIAL CONDITIONS QUALIFY FOR FINANCIAL ASSISTANCE PER THE SOFTWARE'S SEARCH ARE IMMEDIATELY APPROVED BY THE HOSPITAL FOR CHARITY CARE AND ALL COLLECTION EFFORTS ARE IMMEDIATELY CEASED.

PART I, LINE 5A AND 5B

CALVERT MEMORIAL HOSPITAL OFFERS FREE OR DISCOUNTED CARE TO PATIENTS WHO ARE UNABLE TO PAY FOR THEIR SERVICES AND MEET THE ELIGIBILITY CRITERIA

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

REGARDLESS OF THE AMOUNT BUDGETED FOR FINANCIAL ASSISTANCE IN THE
HOSPITAL'S ANNUAL OPERATING PLAN.

PART I, LINE 6A, 6B

MARYLAND'S HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) REQUIRES ALL
MARYLAND HOSPITALS TO COMPLETE AND SUBMIT A COMMUNITY BENEFIT REPORT
ANNUALLY. THE HSCRC IS RESPONSIBLE FOR COLLECTING THE DATA FROM THE
INDIVIDUAL HOSPITALS AND COMPILING A STATEWIDE DOCUMENT THAT CONTAINS
SUMMARY INFORMATION AS WELL AS INDIVIDUAL HOSPITAL REPORTS. THE
STATEWIDE DOCUMENT IS MADE AVAILABLE TO THE PUBLIC ON THE HSCRC'S
WEBSITE.

PART I, LINE 7A, COLUMN D

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL
PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES
COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING
PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
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AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S

UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED

CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO

BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART I, LINE 7B, COLUMNS C, D, E AND F

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL

PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES

COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING

PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME

AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S

UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED

CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO

BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE. COMMUNITY

BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND, AS SUCH, THE

NET EFFECT IS ZERO. THE EXCEPTION TO THIS IS THE IMPACT ON THE HOSPITAL

OF ITS SHARE OF THE MEDICAID ASSESSMENT. IN RECENT YEARS, THE STATE OF

Part VI Supplemental Information

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MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE SETTING SYSTEM. THE HOSPITAL PORTION OF THE MARYLAND MEDICAID ASSESSMENT FOR CMH FOR THE 2012 TAX YEAR WAS \$514,581.

PART I, LINE 7F, COLUMN C AND D

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART I, LINE 7G

SUBSIDIZED HEALTH SERVICES INCLUDE THE FOLLOWING NON-PHYSICIAN CLINICS:
WOMAN'S WELLNESS CENTER, DUNKIRK URGENT CARE, GYN-ONCOLOGY CLINIC,

Part VI Supplemental Information

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PEDIATRIC ORTHOPEDIC CLINIC, SOLOMONS URGENT CARE AND SPINE CLINIC. COSTS ATTRIBUTABLE TO THE CLINICS TOTALED \$1,119,675. THESE SERVICES WOULD LIKELY NOT BE UNDERTAKEN IN THE COMMUNITY IF NOT PROVIDED BY CALVERT MEMORIAL HOSPITAL. AS A RESULT CALVERT MEMORIAL HOSPITAL HAS IDENTIFIED A COMMUNITY NEED FOR THE PROVISION OF THESE SERVICES.

PART I, LINE 7

THE COSTING METHODOLOGY USED TO CALCULATE AMOUNTS REPORTED IN LINE 7 WAS A COST-TO-CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES.

PART II

CALVERT MEMORIAL HOSPITAL (CMH) IS RECOGNIZED AS A LEADER IN THE PROVISION OF HEALTH CARE IN THE LOCAL AREA. IT PARTNERS WITH MANY ORGANIZATIONS AND AGENCIES TO EXPAND THE REACH FOR IMPROVING THE HEALTH OF ITS COMMUNITY. ACTIVITIES INCLUDE:

Part VI Supplemental Information

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DEVELOPING AND LEADING A HEALTH MINISTRY TEAM PROGRAM WITH 25 LOCAL AREA CHURCHES, SCHOOL WELLNESS COUNCIL AND AREA BUSINESSES TO IMPROVE HEALTH OF THEIR EMPLOYEES. SUPPORTING STAFF PARTICIPATION ON LOCAL AREA BOARDS, COALITIONS AND COLLABORATIVES, SUCH AS THE UNITED WAY OF CALVERT COUNTY, HOSPICE OF CALVERT COUNTY, MARYLAND RURAL HEALTH ASSOCIATION, THE OFFICE ON AGING, SOUTHERN MARYLAND COMMUNITY NETWORK, CALVERT COUNTY ORAL HEALTH COALITION, TRI-COUNTY COUNCIL, EMS COUNCIL, MARYLAND PERINATAL PATIENT SAFETY COLLABORATIVE, COMPTROLLER'S ADVISORY BOARD AND THE CALVERT CANCER COALITION.

THESE ARE JUST A FEW OF CMH'S COMMUNITY BUILDING ACTIVITIES. IMPROVING THE HEALTH OF THE COMMUNITY IS A PRIORITY AREA FOR THE HOSPITAL AND THEREFORE DRIVES MANY OF OUR STRATEGIC PLANS.

PART III, LINE 4

THE FOLLOWING IS THE TEXT OF THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES THE ORGANIZATION'S BAD DEBT EXPENSE:

Part VI Supplemental Information

Complete this part to provide the following information.

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ACCOUNTS RECEIVABLE ARE REPORTED AT THEIR NET REALIZABLE VALUE FROM
THIRD-PARTY PAYERS, PATIENTS, RESIDENTS AND OTHERS FOR SERVICES RENDERED.
ALLOWANCES ARE PROVIDED FOR THIRD-PARTY PAYERS BASED ON ESTIMATED
REIMBURSEMENT RATES. ALLOWANCES ARE ALSO PROVIDED FOR BAD DEBTS ON AN
ESTIMATE OF UNCOLLECTIBLE ACCOUNTS. WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS
IS DETERMINED ON A CASE-BY-CASE BASIS AFTER A REVIEW OF THE CIRCUMSTANCES
SURROUNDING INDIVIDUAL PATIENT ACCOUNTS.

THE AMOUNT REPORTED ON PART III, LINE 2 WAS DETERMINED BY TAKING THE
AMOUNT REPORTED AS PROVISION FOR UNCOLLECTIBLE ACCOUNTS IN THE HOSPITAL'S
STATEMENT OF OPERATIONS AND APPLYING THE COST TO CHARGE RATIO, AS
CALCULATED IN WORKSHEET 2, TO CALCULATE THE COST OF THE ORGANIZATION'S
BAD DEBT EXPENSE.

THE HOSPITAL ESTIMATES THAT NONE OF THE ACTUAL BAD DEBT EXPENSE IN THE
2012 TAX YEAR WAS ATTRIBUTABLE TO PATIENTS ELIGIBLE FOR FINANCIAL

Part VI Supplemental Information

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ASSISTANCE. THIS IS BASED UPON THE PROCESS THAT HAS BEEN PUT IN PLACE
(DESCRIBED IN THE DISCLOSURE TO PART I, LINE 3) TO DETERMINE IF PATIENTS
QUALIFY FOR FINANCIAL ASSISTANCE PRIOR TO CLASSIFYING THE PATIENT(S)
ACCOUNT AS BAD DEBT.

PART III, LINE 8

THE COSTING SOURCE IS THE MEDICARE COST REPORT AND THE METHODOLOGY IS
MEDICARE ALLOWABLE COST TO MEDICARE REVENUES RECEIVED.

PART III, LINE 9B

AS STATED IN CALVERT MEMORIAL HOSPITAL'S FINANCIAL ASSISTANCE POLICY,
PART V, SECTION G:

CALVERT MEMORIAL HOSPITAL HAS DEVELOPED POLICIES AND PROCEDURES FOR
INTERNAL AND EXTERNAL COLLECTION PRACTICES THAT TAKE INTO ACCOUNT THE
EXTENT TO WHICH THE PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, A
PATIENT'S GOOD FAITH EFFORT TO APPLY FOR A GOVERNMENTAL PROGRAM OR FOR

Part VI Supplemental Information

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FINANCIAL ASSISTANCE FROM CALVERT MEMORIAL HOSPITAL, AND A PATIENT'S GOOD FAITH EFFORT TO COMPLY WITH HIS OR HER PAYMENT AGREEMENTS WITH CALVERT MEMORIAL HOSPITAL. FOR PATIENTS WHO ARE COOPERATING WITH APPLYING AND QUALIFYING FOR EITHER MEDICAL ASSISTANCE OR FINANCIAL ASSISTANCE, CALVERT MEMORIAL HOSPITAL WILL NOT SEND UNPAID BILLS TO OUTSIDE COLLECTION AGENCIES AND WILL CEASE ALL COLLECTION ACTIVITIES. ONCE THE COLLECTION PROCESS HAS BEGUN, THE HOSPITAL CONTINUES TO MONITOR WHETHER THE PATIENT QUALIFIES FOR CHARITY CARE UNDER THE FINANCIAL ASSISTANCE POLICY. IF THE HOSPITAL DETERMINES THAT A PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, INCLUDING ONCE THE COLLECTION PROCESS HAS BEGUN, THE ORGANIZATION WILL APPROVE THE PATIENT FOR CHARITY CARE. ONCE CHARITY CARE HAS BEEN APPROVED, THERE IS NO FURTHER ATTEMPT MADE BY THE ORGANIZATION TO COLLECT. COLLECTION EFFORTS WILL BE STOPPED AT ANY TIME DURING THE COLLECTION PROCESS IF THE PATIENT QUALIFIES FOR CHARITY CARE UNDER THE FINANCIAL ASSISTANCE POLICY. FURTHERMORE, IF A PATIENT'S FINANCIAL SITUATION CHANGES AT ANY POINT DURING THE COLLECTION PROCESS, THE PATIENT MAY QUALIFY FOR FINANCIAL ASSISTANCE AT SUCH POINT. PATIENTS DETERMINED

Part VI Supplemental Information

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TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE SUBSEQUENT TO THE DATE OF SERVICE
MAY BE ELIGIBLE FOR A REFUND OF PAYMENTS MADE IF IT IS DETERMINED THAT
THE PATIENT WAS ELIGIBLE FOR FINANCIAL ASSISTANCE AT THE TIME OF SERVICE.

PART V, LINE 3

CALVERT MEMORIAL HOSPITAL TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF
THE COMMUNITY SERVED BY THE HOSPITAL FACILITY, INCLUDING THOSE WITH
SPECIALIZED KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH, COMMUNITY
LEADERS, AND LEADERS OR REPRESENTATIVES OF LOW INCOME OR UNDERSERVED
GROUPS SERVED IN THE COMMUNITY. IN PARTICULAR, CALVERT MEMORIAL HOSPITAL
PARTNERED WITH NUMEROUS COMMUNITY LEADERS THROUGH THE CALVERT COUNTY
COMMUNITY HEALTH IMPROVEMENT ROUNDTABLE (THE "ROUNDTABLE") TO JOINTLY
DEVELOP THE CHNA. THE SPECIFIC MEMBERS OF THE ROUNDTABLE WERE AS
FOLLOWS:

BABS BUCHEISTER, RN, DIRECTOR OF NURSING

CALVERT COUNTY HEALTH DEPARTMENT

Part VI Supplemental Information

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SEAN CROSBY

DEPARTMENT OF SOCIAL SERVICES

CANDICE D'AGOSTINO

CALVERT ALLIANCE AGAINST SUBSTANCE ABUSE

FATHER PETER DALEY

SAINT JOHN VIANNEY CATHOLIC CHURCH

RAYMON NOBLE, MD

CALVERT HOSPICE

BRENDA

CALVERT HOSPICE

MARGARET FOWLER, COMMUNITY WELLNESS DIRECTOR

CALVERT MEMORIAL HOSPITAL

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HARRIET S YAFFE, EXECUTIVE DIRECTOR

THE ARC OF SOUTHERN MARYLAND

MAUREEN T HOFFMAN, COMMUNITY RESOURCES DIRECTOR

CALVERT COUNTY GOVERNMENT

KERI LIPPERINI

OFFICE ON AGING, DIVISION CHIEF

VACANCY PENDING

DEPARTMENT OF JUVENILE SERVICES

LISA LASCHALT, R.S., M.P.H., PROGRAM SUPERVISOR

CALVERT COUNTY HEALTH DEPARTMENT

DONNA NICHOLS, SUPERVISOR OF HEALTH

Part VI Supplemental Information

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CALVERT COUNTY PUBLIC SCHOOLS

LAURENCE POLSKY, MD, M.P.H., HEALTH OFFICER

CALVERT COUNTY HEALTH DEPARTMENT

KASIA SWEENEY, PUBLIC RELATIONS DIRECTOR

CALVERT MEMORIAL HOSPITAL

TAMMY HALTERMAN, HEALTH PROMOTIONS

CALVERT COUNTY HEALTH DEPARTMENT

MARY BAHEN, RN, BSN - HEALTH MINISTRY

CALVERT MEMORIAL HOSPITAL

JENNIFER MORELAND, DIRECTOR OF COMMUNITY IMPACT

UNITED WAY OF CALVERT COUNTY

Part VI Supplemental Information

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JAMES XINIS, PRESIDENT&CEO

CALVERT MEMORIAL HOSPITAL

PART V, LINE 5A

THE DIRECT WEBSITE ADDRESS FOR THE HOSPITAL'S CHNA IS -

[HTTP://WWW.CALVERTHOSPITAL.ORG/WORKFILES/CALVERT_MEMORIAL_HOSPITAL_IMPLEMENTATION_PLAN_DOCUMENT_FY12_14.PDF](http://www.calverthospital.org/workfiles/calvert_memorial_hospital_implementation_plan_document_fy12_14.pdf)

PART V, LINE 6

DURING THE 2012 TAX YEAR, THE HOSPITAL UNDERTOOK A NUMBER OF DIFFERENT PROGRAMS TO BEGIN ADDRESSING THE COMMUNITY HEALTH NEEDS IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA). AMONG THE INITIATIVES UNDERTAKEN TO ATTEMPT TO IMPROVE THE OUTCOMES WITH RESPECT TO ADOLESCENT HEALTH, HEART DISEASE, AND OBESITY WERE THE FOLLOWING: THE PROVISION OF FREE ONLINE NUTRITION PROGRAM THROUGH THE VITABOT PROGRAM, WALK OFF WEIGHT PROGRAM TO CHURCHES AND GENERAL COMMUNITY, DEVELOPED WALKING CLUBS AT 3 ELEMENTARY SCHOOLS, COLLABORATED WITH CALVERT COUNTY HEALTH

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
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DEPARTMENT TO PROVIDE SMOKING CESSATION PROGRAMS, PROMOTED 1800MD QUIT NOW, PROVIDED TOBACCO ROAD SHOW EDUCATION AND AWARENESS PROGRAMS, UNDERTOOK CALVERT CAN: EAT RIGHT, MOVE MORE CAMPAIGN, AND ENGAGED IN BREATHE FREE COUNTY WIDE INITIATIVE WITH SEVEN COLLABORATING PARTNERS TO OFFER HEALTHY LIFESTYLE PROGRAMS FOCUSING ON FITNESS AND NUTRITION.

PART V, LINE 7

THERE WERE TWO COMMUNITY HEALTH NEEDS IDENTIFIED IN THE CHNA THAT ARE NOT BEING ADDRESSED BY CALVERT MEMORIAL HOSPITAL . THESE TWO COMMUNITY HEALTH NEEDS ARE: (1) TRAFFIC SAFETY AND (2) AUTISM. AS DISCUSSED IN FURTHER DETAIL BELOW, CALVERT MEMORIAL HOSPITAL DETERMINED THAT IMPROVING TRAFFIC SAFETY WOULD BE ADDRESSED MORE EFFECTIVELY BY OTHER STAKEHOLDERS IN THE COMMUNITY BECAUSE TRAFFIC SAFETY IS NOT IN THE HOSPITAL'S CORE MISSION AND THE HOSPITAL DOES NOT CURRENTLY HAVE THE SKILL SET REQUIRED TO EFFECTIVELY MEET THIS COMMUNITY NEED. IN ADDITION, IT WAS DETERMINED THAT, DUE TO LIMITED RESOURCES AND A LACK OF THE REQUIRED SKILL SET, CALVERT MEMORIAL HOSPITAL IS NOT THE BEST PLACED ORGANIZATION WITHIN THE

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COMMUNITY TO ADDRESS THE COMMUNITY HEALTH NEEDS ASSOCIATED WITH AUTISM.

THE TRAFFIC SAFETY ISSUES ARE BEING ADDRESSED BY DEBBIE JENNINGS OF THE CALVERT COUNTY TRAFFIC SAFETY COUNCIL. A SEPARATE TRAFFIC SAFETY ACTION PLAN HAS BEEN DRAFTED WHICH INCORPORATES INITIATIVES THAT ARE BEING HANDLED BY THE MARYLAND STATE HIGHWAY ADMINISTRATION.

THE AUTISM NEEDS ARE BEING ADDRESSED BY HARRIET YAFFE, EXECUTIVE DIRECTOR OF THE ARC OF SOUTHERN MARYLAND. SHE IS WORKING IN COLLABORATION WITH OTHER AGENCIES WITHIN SOUTHERN MARYLAND WHO SERVE THE SPECIAL NEEDS POPULATION TO IDENTIFY GAPS IN SERVICES FOR THE AUTISM POPULATION. CURRENTLY, THE KENNEDY KRIEGER INSTITUTE AND CHILDREN'S NATIONAL MEDICAL CENTER ARE CONDUCTING A REGIONAL NEEDS SURVEY TO DETERMINE WHAT PROGRAMS EXIST IN SOUTHERN MARYLAND AND WILL SHARE THE SURVEY RESULTS WITH THE ROUNDTABLE.

Part VI Supplemental Information

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PART V, LINE 18

THE HOSPITAL FACILITY OR AN AUTHORIZED THIRD PARTY DID NOT UNDERTAKE ANY OF THE COLLECTION ACTIONS NOTED IN PART V, SECTION B, LINE 17 BEFORE MAKING REASONABLE EFFORTS TO DETERMINE ANY PATIENT'S ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY. IN ORDER TO HELP DETERMINE PATIENTS' ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL UNDERTAKES A NUMBER OF ACTIONS, INCLUDING NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY ON ADMISSION, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY PRIOR TO DISCHARGE, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY IN COMMUNICATIONS WITH THE PATIENTS' BILLS, AND DOCUMENTING ITS DETERMINATION OF WHETHER PATIENTS WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.

PART V, LINE 20D

CALVERT MEMORIAL HOSPITAL PROVIDES A DISCOUNT OF AT LEAST 20% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY

Part VI Supplemental Information

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NECESSARY CARE TO ANY INDIVIDUAL THAT IS ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY. PURSUANT TO THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) ALL-PAYOR SYSTEM FOR HOSPITALS IN THE STATE OF MARYLAND, THE GREATEST DISCOUNT OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE PERMITTED TO ANY COMMERCIAL INSURER OR MEDICARE IS ONLY 6%. AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE THAT THE MAXIMUM AMOUNT CHARGED TO INDIVIDUALS THAT WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY WAS NOT GREATER THAN THE AMOUNT GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

PART V, LINE 22

CALVERT MEMORIAL HOSPITAL DOES NOT CHARGE ANY INDIVIDUALS THAT ARE ELIGIBLE FOR FINANCIAL ASSISTANCE AN AMOUNT EQUAL TO THE GROSS CHARGE FOR ANY SERVICE. THE HOSPITAL USES THE CHARGE MASTER RATES FOR A SERVICE AS A STARTING POINT AGAINST WHICH REDUCTIONS ARE APPLIED TO DETERMINE THE

Part VI Supplemental Information

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AMOUNT ACTUALLY BILLED TO PATIENTS ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY.

NEEDS ASSESSMENT

PART VI, LINE 2

IN ADDITION TO BEGINNING TO IMPLEMENT THE COMMUNITY HEALTH NEEDS ASSESSMENT IMPLEMENTATION STRATEGY (IMPLEMENTATION STRATEGY), IN FY13 THE HOSPITAL ADOPTED THE MARYLAND STATE HEALTH IMPROVEMENT PLAN (SHIP) WHICH FOCUSES ON 39 OBJECTIVES FOR EACH COUNTY WITHIN THE STATE OF MARYLAND. THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE REQUESTED THAT THESE SHIP OBJECTIVES BE ADDRESSED BY THE CHNA AND INTEGRATED INTO THE HOSPITAL'S IMPLEMENTATION STRATEGY TO MEET THE COMMUNITY HEALTH NEEDS IDENTIFIED IN THE CHNA. THE SHIP OBJECTIVES WERE RATED RED, YELLOW OR GREEN IN EACH COUNTY, BASED UPON THE EXTENT TO WHICH THE COUNTY MET THE STATE STANDARDS FOR SUCH OBJECTIVES. THOSE OBJECTIVES THAT THE COUNTY HAD STRUGGLED TO MEET WERE GIVEN RED INDICATORS AND WERE DESIGNATED AS OBJECTIVES FOR THE COUNTY TO ADDRESS MOVING FORWARD. IN ORDER TO ADDRESS THOSE OBJECTIVES

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RECEIVING A RED INDICATOR, THE COMMUNITY HEALTH IMPROVEMENT ROUNDTABLE, A GROUP THAT THE CALVERT MEMORIAL HOSPITAL PARTICIPATES IN WITH OTHER COMMUNITY LEADERS TO ADDRESS COMMUNITY HEALTH ISSUES, DEVELOPED A SHIP ACTION PLAN DOCUMENT TO ADDRESS THE FOLLOWING TARGETED OBJECTIVES: SMOKING, OBESITY, DEATH RATES FROM HEART DISEASE, DEATH RATES FROM CANCER AND DISPARITIES IN EMERGENCY ROOM UTILIZATION BY AFRICAN AMERICAN FOR DIABETES AND HYPERTENSION.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

PART VI, LINE 3

NOTIFICATION ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE FROM CALVERT MEMORIAL HOSPITAL INCLUDES A CONTACT NUMBER AND IS DISSEMINATED BY CALVERT MEMORIAL HOSPITAL BY VARIOUS MEANS, WHICH INCLUDES, BUT IS NOT LIMITED TO, THE PUBLICATION OF NOTICES IN PATIENT BILLS AND BY POSTING NOTICES IN THE EMERGENCY DEPARTMENT, URGENT CARE CENTERS, WAITING ROOMS, ADMITTING AND REGISTRATION DEPARTMENTS, AND PATIENT FINANCIAL SERVICES OFFICES. INFORMATION IS ALSO INCLUDED ON THE HOSPITAL'S WEBSITE AND AT

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LEAST ANNUALLY, THE HOSPITAL PUBLISHES IN THE LOCAL NEWSPAPERS A NOTICE OF FINANCIAL ASSISTANCE AND ALSO HIGHLIGHTS OTHER PROGRAMS THE HOSPITAL OFFERS FOR PATIENTS WITHOUT INSURANCE OR FOR PATIENTS IN FINANCIAL NEED. NOTIFICATION OF THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY PROGRAM IS PROVIDED TO EACH PATIENT AT THE TIME OF REGISTRATION AND A SECOND TIME WHEN PATIENTS RECEIVE THEIR BILL/STATEMENT. SUCH INFORMATION IS PROVIDED IN THE PRIMARY LANGUAGES SPOKEN BY THE POPULATION SERVICED BY CALVERT MEMORIAL HOSPITAL. REFERRAL OF PATIENTS FOR FINANCIAL ASSISTANCE MAY BE MADE BY ANY MEMBER OF THE CALVERT MEMORIAL HOSPITAL STAFF OR MEDICAL STAFF, INCLUDING PHYSICIANS, NURSES, FINANCIAL COUNSELORS, SOCIAL WORKERS, CASE MANAGERS, AND CHAPLAINS. A REQUEST FOR FINANCIAL ASSISTANCE MAY BE MADE BY THE PATIENT OR A FAMILY MEMBER, CLOSE FRIEND, OR ASSOCIATE OF THE PATIENT, SUBJECT TO APPLICABLE PRIVACY LAWS.

COMMUNITY INFORMATION

Part VI Supplemental Information

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PART VI, LINE 4

CALVERT MEMORIAL HOSPITAL (CMH) IS THE SOLE HOSPITAL PROVIDER IN CALVERT COUNTY, MARYLAND. CALVERT COUNTY IS LOCATED IN SOUTHERN MARYLAND AND IS ESSENTIALLY A PENINSULA BORDERED ON THE EAST BY THE CHESAPEAKE BAY AND ON THE WEST BY THE PATUXENT RIVER. WITH A LONG AND SKINNY TOPOGRAPHY, THE COUNTY'S "SPINE" IS MARYLAND ROUTES 2/4 RUNNING FROM DUNKIRK IN THE NORTH TO SOLOMONS ISLAND IN THE SOUTH FOR APPROXIMATELY 45 MILES. THIS TOPOGRAPHY PRESENTS CHALLENGES TO BOTH TRANSPORTATION AND SERVICE DELIVERY THAT ARE UNIQUE TO CALVERT COUNTY. IN RESPONSE TO THIS UNIQUE TOPOGRAPHY, CMH'S STRATEGIC GOAL IS TO ENSURE ACCESS TO PRIMARY CARE SERVICES WITHIN A 15 MINUTE DRIVE FROM ANY COUNTY LOCATION AND SPECIALTY CARE WITHIN 30 MINUTES. IN ADDITION, CMH'S SECONDARY MARKET AREA INCLUDES THE SURROUNDING AREAS OF SOUTHERN PRINCE GEORGES AND ANNE ARUNDEL COUNTIES, ST MARY'S COUNTY ON ITS SOUTHERN BORDER AND CHARLES COUNTY ON ITS WESTERN BORDER.

ALTHOUGH CALVERT COUNTY IS ONE OF THE MOST AFFLUENT COUNTIES IN MARYLAND,

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IT HAS POCKETS OF IMPOVERISHED AREAS. THE MEDIAN HOUSEHOLD INCOME VARIES FROM \$75,227 IN THE SOUTHERN PORTION OF THE COUNTY TO \$120,119 IN THE NORTH AS COMPARED TO AN \$89,393 COUNTY AVERAGE. APPROXIMATELY 10% OF THE TOTAL HOUSEHOLDS EARN LESS THAN \$25,000 ANNUALLY. OVERALL, CALVERT COUNTY HAS A POVERTY RATE OF 4.2% AS COMPARED TO A STATE LEVEL OF 8.6%. WITHIN CENSUS TRACTS, THIS POVERTY RATE RANGES FROM 0.3% JUST NORTH OF HTE COUNTY SEAT IN PRINCE FREDERICK TO 13.9% IN AN AREA JUST EAST OF PRINCE FREDERICK. FINANCIAL ASSISTANCE OF FY 2013 FOR CMH REVEALS THAT 5.3% OF GROSS REVENUE WAS FROM SELF-PAY OR UNINSURED PATIENTS, 11.8% OF GROSS REVENUE WAS FROM MEDICAID RECIPIENTS AND 35.3% WAS FROM MEDICARE RECIPIENTS.

CAUCASIAN RESIDENTS COMPRISE 81.3% OF THE POPULATION WHILE AFRICAN AMERICANS COMPRISE 13%. MAJOR SOURCES OF EMPLOYMENT WITH THE AREA INCLUDE EDUCATION AND HEALTHCARE, PUBLIC ADMINISTRATION, PROFESSIONAL/RESEARCH, CONSTRUCTION AND RETAIL TRADE. THE LIFE EXPECTANCY IN CALVERT COUNTY IS 77.9 YEARS. HEART DISEASE AND CANCER DEATH RATES ARE SIGNIFICANTLY HIGHER

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THAN THE STATE AND NATIONAL RATES AT 227.6 AND 189.3 DEATHS PER 100,000
RESPECTIVELY.

PROMOTION OF COMMUNITY HEALTH

PART VI, LINE 5

THE HOSPITAL IS GOVERNED BY A COMMUNITY BOARD COMPRISED OF CIVIC LEADERS
THROUGHOUT CALVERT COUNTY WHO ARE COMMITTED TO AND REPRESENT THE
HEALTHCARE NEEDS OF THE COMMUNITY. THE HOSPITAL EXTENDS MEDICAL STAFF
PRIVILEGES TO ALL QUALIFIED PHYSICIANS FOR ALL OF ITS DEPARTMENTS. ALL
FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO
FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION.

AFFILIATED HEALTH CARE SYSTEM

PART VI, LINE 6

CALVERT MEMORIAL HOSPITAL IS PART OF AN AFFILIATED HEALTH CARE SYSTEM,
CALVERT HEALTH SYSTEM, INC. (CHS), THAT COOPERATES IN PROVIDING HEALTH
CARE SERVICES TO ITS COMMUNITY. THE HOSPITAL, AS A SOLE COMMUNITY

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

PROVIDER, PROVIDES ESSENTIAL HEALTH CARE SERVICES SUCH AS OBSTETRICS, PSYCHIATRY (INPATIENT AND OUTPATIENT), EMERGENCY SERVICES, URGENT CARE AND LONG-TERM CARE THAT OTHERWISE WOULD NOT BE PROVIDED WITHIN CALVERT COUNTY DUE TO THEIR UNPROFITABLE NATURE (HIGH COST SERVICES WITH LOW REIMBURSEMENT), OR WOULD NEED TO BE PROVIDED BY ANOTHER TAX-EXEMPT ORGANIZATION OR THE GOVERNMENT. FOR THE 2012 TAX YEAR, THE HOSPITAL PROVIDED \$5,272,522 IN CHARITY CARE, AT COST, TO PATIENTS THAT QUALIFIED FOR FINANCIAL ASSISTANCE. FURTHERMORE, THE HOSPITAL PROVIDED \$427,150 OF FREE HEALTH SERVICES FOR CALVERT HEALTHCARE SOLUTIONS PATIENTS. CALVERT HEALTHCARE SOLUTIONS IS A PARTNERSHIP BETWEEN THE LOCAL HEALTH DEPARTMENT, LOCAL PHYSICIANS AND THE HOSPITAL THAT PROVIDES PRIMARY CARE SERVICES TO PATIENTS WHO ARE UNINSURED. IN ADDITION TO THE HOSPITAL, CHS IS ALSO THE SOLE MEMBER AND EMPLOYER OF A PHYSICIAN GROUP, CALVERT PHYSICIAN ASSOCIATES, LLC, WHICH PROVIDES PRIMARY AND SPECIALTY CARE SERVICES TO THE COMMUNITY. THE PROVISION OF THESE PHYSICIAN SERVICES TO THE COMMUNITY MEETS AN IDENTIFIED NEED.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

STATE FILING OF COMMUNITY BENEFIT REPORT

MD,

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b	X	
2	X	
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2012

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 JAMES XINIS PRESIDENT AND CEO	(i)	405,511.	214,122.	622,656.	215,050.	1,260.	1,458,599.	0
	(ii)	0	0	0	0	0	0	0
2 ROBERT KERTIS VP FINANCE AND CFO	(i)	189,775.	22,464.	570.	17,135.	5,506.	235,450.	0
	(ii)	0	0	0	0	0	0	0
3 SUSAN DOHONY VP CQO PERFORM IMPROVEMENT	(i)	149,421.	14,753.	34,915.	55,051.	8,999.	263,139.	0
	(ii)	0	0	0	0	0	0	0
4 EDWARD GROGAN VP IT	(i)	145,501.	16,279.	0	21,848.	11,961.	195,589.	0
	(ii)	0	0	0	0	0	0	0
5 ROBERT SCHLAGER VP MEDICAL AFFAIRS	(i)	71,216.	0	50,745.	9,000.	3,606.	134,567.	21,501.
	(ii)	0	0	0	0	0	0	0
6 SEYED ALI MOHAMMADI PHYSICIAN	(i)	312,387.	31,824.	13,554.	21,007.	12,049.	390,821.	0
	(ii)	0	0	0	0	0	0	0
7 DIANE COUCHMAN VP CNO CLINICAL SERVICES	(i)	135,447.	0	0	13,363.	11,960.	160,770.	0
	(ii)	0	0	0	0	0	0	0
8 SCOTT INTNER AVP BUS DEVEL CORP COMPLIANCE	(i)	138,548.	26,892.	0	8,386.	11,961.	185,787.	0
	(ii)	0	0	0	0	0	0	0
9 ANTHONY BLADEN VP HUMAN RESOURCES	(i)	153,352.	19,088.	5,180.	14,938.	422.	192,980.	0
	(ii)	0	0	0	0	0	0	0
10 KARA HARRER DIRECTOR OF PHARMACY	(i)	133,629.	7,717.	820.	12,729.	884.	155,779.	0
	(ii)	0	0	0	0	0	0	0
11 PILAR CROOK R.N.	(i)	86,852.	0	55,182.	25,921.	8,887.	176,842.	0
	(ii)	0	0	0	0	0	0	0
12 SHARON BAKER PHARMACY CLINICAL COORDINATOR	(i)	135,235.	0	370.	9,594.	8,729.	153,928.	0
	(ii)	0	0	0	0	0	0	0
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 1A

THE PRESIDENT/CEO RECEIVED BENEFITS THAT ARE INCLUDED IN PART I, LINE 1.

PART I, LINE 4

THE FOLLOWING EMPLOYEES CONTRIBUTED TO (EMPLOYEE AND EMPLOYER PORTION)

THE ORGANIZATION'S 457 (F) DEFERRED COMPENSATION PLAN:

JAMES XINIS	\$148,661
ROBERT KERTIS	\$ 7,799
ANTHONY BLADEN	\$ 6,997
DIANE COUCHMAN	\$ 4,073
ROBERT SCHLAGER	\$ 3,796
DEAN TEAGUE	\$ 2,369

IN ADDITION, DURING THE 2012 TAX YEAR, AS PART OF THE SUPPLEMENTAL
RETIREMENT PLAN ISSUED TO HIM, THE PRESIDENT AND CEO, JAMES XINIS,
EXERCISED OPTIONS ISSUED TO HIM PURSUANT TO A GRANDFATHERED MUTUAL FUND

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

OPTION PLAN. ALL OF THE OPTIONS THAT WERE EXERCISED WERE ISSUED TO JAMES XINIS PRIOR TO MAY 8, 2002. THE VALUE OF THE EXERCISED OPTIONS MINUS THE EXERCISE PRICE WAS \$386,276.

PART II, LINE 1, COLUMN B(II)

THE BONUS AND INCENTIVE COMPENSATION PAID TO THE PRESIDENT AND CEO, JAMES XINIS, DURING THE 2012 TAX YEAR WAS FOR INCENTIVES EARNED FOR BOTH CALENDAR YEAR 2011 AND CALENDAR YEAR 2012. THE BONUS RELATED TO THE 2011 CALENDAR YEAR WAS PAID TO THE PRESIDENT AND CEO, JAMES XINIS, DURING JANUARY 2012. THE BONUS RELATED TO THE 2012 CALENDAR YEAR WAS PAID TO THE PRESIDENT AND CEO, JAMES XINIS, DURING DECEMBER 2012.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART II, LINE 1, COLUMN B(III)

OTHER REPORTABLE COMPENSATION PAID TO THE PRESIDENT AND CEO, JAMES XINIS,
INCLUDES VACATION PAYOUT FOR HOURS ACCUMULATED OVER THE LAST TWENTY PLUS
YEARS OF SERVICE (567 HOURS OF VACATION, WHICH EQUALED \$109,044).

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2012

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.** ▶ **See separate instructions.**

Department of the Treasury
Internal Revenue Service

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A MD HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	574127SP1	07/01/2004	32,925,000.	ACQUIRE, RENOVATE AND CONSTRUCTION		X		X		X
B MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	NONE	07/01/2012	19,199,000.	REFUND THE SERIES 1998 REVENUE BON		X		X		X
C											
D											

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired	495,000.		881,159.					
2 Amount of bonds legally defeased								
3 Total proceeds of issue	34,646,470.		19,199,000.					
4 Gross proceeds in reserve funds	4,253,714.							
5 Capitalized interest from proceeds	3,639,436.							
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds	450,216.		27,962.					
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds	572,942.							
10 Capital expenditures from proceeds	28,195,347.							
11 Other spent proceeds			19,171,038.					
12 Other unspent proceeds								
13 Year of substantial completion	2008							
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X	X					
15 Were the bonds issued as part of an advance refunding issue?		X		X				
16 Has the final allocation of proceeds been made?	X		X					
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X						

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2012

Part III Private Business Use (Continued)

2004 AND 2012 BONDS

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X							
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X							
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?		X						
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		%		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		%		%		%		%
6 Total of lines 4 and 5		%		%		%		%
7 Does the bond issue meet the private security or payment test?								
8a Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T?		X		X				
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X	X					
b Exception to rebate?		X		X				
c No rebate due?	X			X				
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X		X				
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								

Part VI **Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K (see instructions) *(Continued)*

SCHEDULE K, PART II, LINE 7, COLUMN B

MONIES IN THE AMOUNT OF 151,023 (REPRESENTING AMOUNTS IN THE DEBT SERVICE
FUND FOR THE REFUNDED 1998 BONDS) WAS USED TO PAY THE COSTS OF ISSUANCE
OF THE 2012 BONDS.

SCHEDULE K, PART IV, LINE 2C, COLUMN A

THE 2004 BOND REBATE COMPUTATION WAS PERFORMED ON 7/1/2009.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No. 1545-0047

2012

Open To Public Inspection

Name of the organization: **CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY**
Employer identification number: **52-0619000**

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
Total ▶ \$												

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) JAMES XINIS	DIRECTOR AND OFFICER	24,620,826.	CAREFIRST TRANSACTIONS (ON BD)		X
(2) ARATI PATEL	SPOUSE OF DIRECTOR	387,497.	EMPLOYEE OF CALVERT PHYS ASSOC		X
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

SCHEDULE L, PART IV

CMH RECEIVED NET REVENUE OF \$24,620,826 FROM BLUE CROSS FOR HEALTH CARE

SERVICES PROVIDED TO PATIENTS INSURED BY BLUE CROSS.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.**

OMB No. 1545-0047

2012

**Open to Public
Inspection**

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

DESCRIPTION OF 990 REVIEW PROCESS

PART VI, LINE 11

THE FORM 990 IS REVIEWED BY THE AUDIT COMMITTEE OF THE CALVERT HEALTH SYSTEM, INC. BOARD OF DIRECTORS AFTER COMPLETION AND PRIOR TO SUBMISSION TO THE IRS. THE DOCUMENT IS DELIVERED TO THE COMMITTEE MEMBERS PRIOR TO THE COMMITTEE MEETING SO THAT THEY CAN REVIEW THE INFORMATION AND RESPOND TO OR QUESTION ANY OR ALL OF THE DATA. THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ARE PRESENT AT THE AUDIT COMMITTEE MEETING. PRIOR TO SUBMISSION TO THE IRS, A COPY OF THE FINAL FORM 990 IS POSTED ON THE BOARD OF DIRECTORS PORTAL WHICH IS PASSWORD-PROTECTED. ALL BOARD MEMBERS ARE NOTIFIED BY EMAIL THAT THE FORM 990 HAS BEEN POSTED ON THE PORTAL AND IS AVAILABLE FOR REVIEW. ANY ADDITIONAL COMMENTS OR QUESTIONS FROM BOARD MEMBERS ARE RESPONDED TO PRIOR TO FILING THE FORM 990.

CONFLICTS MONITORING AND ENFORCEMENT

PART VI, LINE 12C

CALVERT HEALTH SYSTEM, INC. AND SUBSIDIARIES (THE HEALTH SYSTEM) HAVE A CONFLICT OF INTEREST PROCESS. AT ITS CORE ARE THREE DISTINCT POLICIES; ONE EACH FOR THE BOARD OF DIRECTORS, MEDICAL STAFF, AND ALL EMPLOYEES AND ASSOCIATES OF THE HEALTH SYSTEM. THESE POLICIES REQUIRE ALL ORGANIZATIONAL LEADERSHIP, AS WELL AS RANK AND FILE ASSOCIATES IN KEY POSITIONS OR WITH RELATIONSHIPS WITH OUTSIDE PARTIES THAT DO BUSINESS WITH THE HEALTH SYSTEM, TO DISCLOSE ANY ACTUAL OR POTENTIAL CONFLICT OF INTEREST. ANNUAL DISCLOSURES ARE REQUIRED AND DOCUMENTED WITH A FURTHER

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

REQUIREMENT TO PROMPTLY SUPPLEMENT WHEN AN ACTUAL OR POTENTIAL CONFLICT IS DISCOVERED OR CREATED. THE HEALTH SYSTEM REQUIRES THAT THESE POLICIES BE CONSTRUED BROADLY TO AVOID THE APPEARANCE OF IMPROPER ACTIVITY AND REQUIRES DISCLOSURE AND RESOLUTION OF POTENTIAL CONFLICTS AS WELL. THE PROCESS IS OVERSEEN BY THE CHIEF COMPLIANCE OFFICER OF THE HEALTH SYSTEM WHO HAS ACCESS TO EXTERNAL RESOURCES, INCLUDING OUTSIDE COUNSEL. REMEDIES RANGE FROM DISCLOSURE AND MONITORING FOR THE MOST ATTENUATED POTENTIAL CONFLICTS TO RESIGNATION/TERMINATION FOR UNRESOLVABLE CONFLICTS.

PROCESS FOR DETERMINING COMPENSATION

PART VI, LINE 15

THE ORGANIZATION UTILIZES A COMPENSATION COMMITTEE, AN INDEPENDENT COMPENSATION CONSULTANT, A WRITTEN EMPLOYMENT CONTRACT, A COMPENSATION SURVEY OR STUDY, APPROVAL BY BOARD/COMPENSATION COMMITTEE AND CONTEMPORANEOUS WRITTEN SUBSTANTIATION OF THE DECISION-MAKING PROCESS TO DETERMINE COMPENSATION OF THE CEO.

DOCUMENT AVAILABILITY

PART VI, LINE 19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

AUDITED FINANCIAL STATEMENTS

PART XI LINE 2B

THE ORGANIZATIONS FINANCIAL STATEMENTS ARE AUDITED BY AN INDEPENDENT

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
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ACCOUNTING FIRM AS PART OF THE CONSOLIDATED AUDIT OF THE HEALTH SYSTEM.

OTHER CHANGES TO NET ASSETS

PART XI, LINE 5

INVESTMENT IN FOUNDATION	3,393,741
NET ASSET TRANSFER TO CHS	(7,312,591)
PENSION RELATED CHANGES	4,152,279
UNREALIZED LOSS	(16,429)

TOTAL	\$ 217,000

ATTACHMENT 1

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

CALVERT MEMORIAL HOSPITAL'S MISSION IS FOR THE CHARITABLE PURPOSE OF PROVIDING QUALITY INPATIENT AND AMBULATORY HEALTH CARE SERVICES TO THE CITIZENS OF SOUTHERN MARYLAND THAT IS ACCESSIBLE, COST EFFECTIVE AND COMPASSIONATE. THE HOSPITAL WORKS IN PARTNERSHIP WITH THE COMMUNITY TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS. THE HOSPITAL PROVIDES MEDICAL SERVICES TO PATIENTS REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY. IN FY 2013, THE HOSPITAL SERVED 8,001 INPATIENTS, 123,642 OUTPATIENTS AND PROVIDED 41,585 EMERGENCY ROOM VISITS. IN ADDITION TO THE INPATIENTS SERVED, THE HOSPITAL ALSO TREATED 1,546 MEDICAL OBSERVATION PATIENTS. FOR FY 2013, THE HOSPITAL FILED WITH THE STATE OF MARYLAND A COMMUNITY BENEFIT REPORT THAT DOCUMENTED \$18,620,002 IN COMMUNITY BENEFIT PROVIDED BY CALVERT MEMORIAL

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
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ATTACHMENT 1 (CONT'D)

HOSPITAL. THE COMMUNITY BENEFIT REPORT IS AVAILABLE UPON REQUEST.

ALL FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION. THE HOSPITAL IS GOVERNED BY A COMMUNITY BOARD COMPRISED OF CIVIC LEADERS THROUGHOUT CALVERT COUNTY WHO ARE COMMITTED TO AND REPRESENT THE HEALTHCARE NEEDS OF THE COMMUNITY. THE HOSPITAL IN FY 2013 PROVIDED \$7,447,000 IN CHARITY CARE, TO RESIDENTS WHO WERE UNABLE TO PAY FOR THOSE SERVICES AND MET ELIGIBILITY CRITERIA. THE HOSPITAL, AS A SOLE COMMUNITY PROVIDER, PROVIDES ESSENTIAL HEALTHCARE SERVICES SUCH AS OBSTETRICS, PSYCHIATRY (BOTH INPATIENT AND OUTPATIENT), EMERGENCY SERVICES, URGENT CARE AND LONG-TERM CARE THAT OTHERWISE WOULD NOT BE PROVIDED WITHIN CALVERT COUNTY OR WOULD HAVE TO BE PROVIDED BY THE GOVERNMENT. MANY OF THESE SERVICES BY THEIR NATURE ARE UNPROFITABLE SERVICES DUE TO THEIR HIGH COSTS AND LOW REIMBURSEMENT. THESE SERVICES WOULD NOT BE PROVIDED IF THE HOSPITAL DID NOT STEP IN TO PROVIDE THEM. IN ADDITION, IN FY 2013, THE HOSPITAL PROVIDED \$427,150 OF FREE HEALTH SERVICES FOR CALVERT HEALTHCARE SOLUTIONS PATIENTS. CALVERT HEALTHCARE SOLUTIONS IS A PARTNERSHIP BETWEEN THE LOCAL HEALTH DEPARTMENT, LOCAL PHYSICIANS AND THE HOSPITAL THAT PROVIDES PRIMARY CARE SERVICES TO PATIENTS WHO ARE UNINSURED.

ATTACHMENT 2

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
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ATTACHMENT 2 (CONT'D)990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
EMERGENCY MEDICINE ASSOCIATES PA PC 20010 CENTURY BLD STE 200 GERMANTOWN, MD 20874	URGENT CARE PHYS STF	575,179.
MARYLAND INPATIENT CARE SPECIALISTS LLC 6934 AVIATION BLVD STE B GLEN BURNIE, MD 21061	HOSPITALIST	558,247.
DIPAK K SHAH MD 22740 AVENMAR DRIVE LEONARDTOWN, MD 20650	BEHAVIORAL HEALTH	473,500.
CALVERT INTERNAL MEDICINE GROUP 110 HOSPITAL RD STE 310 PRINCE FREDERICK, MD 20678	OP CARDIAC TEST SERV	441,229.
MAYO MEDICAL LABORATORIES P.O. BOX 9146 MINNEAPOLIS, MN 55480	LAB TESTING	393,429.

ATTACHMENT 3FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	<u>(A) TOTAL REVENUE</u>	<u>(B) RELATED OR EXEMPT REVENUE</u>	<u>(C) UNRELATED BUSINESS REV.</u>	<u>(D) EXCLUDED REVENUE</u>
INVESTMENT INCOME	115,491.			115,491.
EQUITY INVESTMENT IN SUBS	319,946.			319,946.
TOTALS	<u>435,437.</u>			<u>435,437.</u>

ATTACHMENT 4FORM 990, PART X - NOTES AND LOANS RECEIVABLE

BORROWER: CHESAPEAKE NEUROLOGY ASSOCIATES
ORIGINAL AMOUNT: 30,000.
INTEREST RATE: 2.500000
DATE OF NOTE: 04/01/2009
MATURITY DATE: 04/01/2012

BEGINNING BALANCE DUE 8,184.

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
<u>ATTACHMENT 4 (CONT'D)</u>	
TOTAL BEGINNING NOTES AND LOANS RECEIVABLE	<u>8,184.</u>

ATTACHMENT 5FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
PREPAID EXPENSES	1,354,549.
PREPAID RENT	
TOTALS	<u>1,354,549.</u>

ATTACHMENT 6FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
EQUITY MUTUAL FUNDS	1,070,512.	FMV
FIXED INCOME MUTUAL FUNDS	444,143.	FMV
US GOVERNMENT ISSUES	3,227,606.	FMV
TOTALS	<u>4,742,261.</u>	

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2012

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.**

▶ **Attach to Form 990.**

▶ **See separate instructions.**

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) CALVERT HEALTH SYSTEM INC 52-2347324 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	HEALTHCARE	MD	501 (C) (3)	170B1AIII	N/A		X
(2) CMH HOLDING CO 52-2176827 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	REAL ESTATE	MD	501 (C) (2)		CHS	X	
(3) CMH II HOLDING CO 52-2178784 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	REAL ESTATE	MD	501 (C) (2)		CHS	X	
(4) CALVERT MEMORIAL HOSPITAL FOUNDATION INC 52-1680647 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	FUND RAISING	MD	501 (C) (3)	509 (A) (3)	CMH	X	
(5) -----							
(6) -----							
(7) -----							

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2012

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
(2) -----												
(3) -----												
(4) -----												
(5) -----												
(6) -----												
(7) -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) CALVERT HEALTH VENTURES INC 52-1625432 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	HEALTHCARE	MD	CHS	C CORP	0	0			X
(2) CALVERT COMMUNITY HEALTH INC 52-1996371 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	HEALTHCARE	MD	CMH	C CORP	0	0	100.0000		X
(3) -----									
(4) -----									
(5) -----									
(6) -----									
(7) -----									

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)	X	
k Lease of facilities, equipment, or other assets from related organization(s)	X	
l Performance of services or membership or fundraising solicitations for related organization(s)	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses	X	
r Other transfer of cash or property to related organization(s)	X	
s Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) CALVERT MEMORIAL HOSPITAL FOUNDATION INC	C AND M	220,536.	CASH
(2) CMH HOLDING CO	L AND K	368,908.	CASH
(3) CMH II HOLIDNG CO	D, L, J, K	8,683,555.	CASH
(4) CALVERT HEALTH VENTURES, INC	L AND Q	82,223.	CASH
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
(2) -----													
(3) -----													
(4) -----													
(5) -----													
(6) -----													
(7) -----													
(8) -----													
(9) -----													
(10) -----													
(11) -----													
(12) -----													
(13) -----													
(14) -----													
(15) -----													
(16) -----													

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

REPAIRS	14,611.
SUPPLIES	37,624.
UTILITIES	5,645.
LEASES & RENTALS	2,675.
PURCHASED SERVICES	4,699.
	<u>65,254.</u>

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

TAXES	2,505.
UTILITIES	5,418.
CONDO FEE	2,280.
DEPRECIATION	6,153.
	<u>16,356.</u>

RENT AND ROYALTY INCOME

Taxpayer's Name CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Identifying Number 52-0619000
---	---

DESCRIPTION OF PROPERTY
427 CAMBRIDGE PLACE CONDO

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:	
REAL RENTAL INCOME	
OTHER INCOME:	
TOTAL GROSS INCOME	
OTHER EXPENSES:	
DEPRECIATION (SHOWN BELOW)	
LESS: Beneficiary's Portion	
AMORTIZATION	
LESS: Beneficiary's Portion	
DEPLETION	
LESS: Beneficiary's Portion	
TOTAL EXPENSES	
TOTAL RENT OR ROYALTY INCOME (LOSS)	

Less Amount to

Rent or Royalty	_____
Depreciation	_____
Depletion	_____
Investment Interest Expense	_____
Other Expenses	_____
Net Income (Loss) to Others	_____

Net Rent or Royalty Income (Loss) _____

Deductible Rental Loss (if Applicable) _____

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
CHILD CARE CENTER	26,400.		65,254.	-38,854.
109 WESTLAKE BLVD CO	15,000.		16,356.	-1,356.
MISC RENTAL PROPERTY 427 CAMBRIDGE PLACE 137 WINSLOW PLACE	29,119.			29,119.
TOTALS	<u>70,519.</u>		<u>81,610.</u>	<u>-11,091.</u>

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

Department of the Treasury
Internal Revenue Service

Attach to your tax return.
Information about Form 4797 and its separate instructions is at www.irs.gov/form4797.

Attachment
Sequence No. 27

Name(s) shown on return: CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY
Identifying number: 52-0619000

1 Enter the gross proceeds from sales or exchanges reported to you for 2012 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions).

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

Table with 7 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed or allowable since acquisition, (f) Cost or other basis, plus improvements and expense of sale, (g) Gain or (loss). Row 1: ATTACHMENT 1, 2,520.

3 Gain, if any, from Form 4684, line 39
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824
6 Gain, if any, from line 32, from other than casualty or theft
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:

3
4
5
6
7 2,520.

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years (see instructions)
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)

8
9

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

Table with 7 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed or allowable since acquisition, (f) Cost or other basis, plus improvements and expense of sale, (g) Gain or (loss).

11 Loss, if any, from line 7
12 Gain, if any, from line 7 or amount from line 8, if applicable
13 Gain, if any, from line 31
14 Net gain or (loss) from Form 4684, lines 31 and 38a
15 Ordinary gain from installment sales from Form 6252, line 25 or 36
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824
17 Combine lines 10 through 16

11 ()
12
13
14
15
16
17

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:
a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14

18a
18b

For Paperwork Reduction Act Notice, see separate instructions.

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A			
B			
C			
D			
These columns relate to the properties on lines 19A through 19D. ▶		Property A	Property B
20 Gross sales price (Note: See line 1 before completing.)		Property C	Property D
20			
21	Cost or other basis plus expense of sale		
22	Depreciation (or depletion) allowed or allowable		
23	Adjusted basis. Subtract line 22 from line 21		
24	Total gain. Subtract line 23 from line 20		
25 If section 1245 property:			
25a	a Depreciation allowed or allowable from line 22		
25b	b Enter the smaller of line 24 or 25a		
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.			
26a	a Additional depreciation after 1975 (see instructions)		
26b	b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)		
26c	c Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e		
26d	d Additional depreciation after 1969 and before 1976		
26e	e Enter the smaller of line 26c or 26d		
26f	f Section 291 amount (corporations only)		
26g	g Add lines 26b, 26e, and 26f		
27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).			
27a	a Soil, water, and land clearing expenses		
27b	b Line 27a multiplied by applicable percentage (see instructions)		
27c	c Enter the smaller of line 24 or 27b		
28 If section 1254 property:			
28a	a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)		
28b	b Enter the smaller of line 24 or 28a		
29 If section 1255 property:			
29a	a Applicable percentage of payments excluded from income under section 126 (see instructions)		
29b	b Enter the smaller of line 24 or 29a (see instructions)		

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33	
34	Recomputed depreciation (see instructions)	34	
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

